



Paul E. Patton  
Governor

COMMONWEALTH OF KENTUCKY  
PERSONNEL CABINET  
200 FAIR OAKS LANE  
5TH FLOOR  
FRANKFORT, KENTUCKY 40601  
(502) 564-4460

Carol M. Palmore  
Secretary

February 1, 2002

**PERSONNEL MEMO 02 - 03**

**MEMORANDUM**

**TO:** Cabinet Secretaries  
Agency Heads  
Personnel Executives

**FROM:**

  
Carol M. Palmore, Secretary

**SUBJECT:** Retirees Returning to State Government

An individual who is receiving a retirement payment under KERS, CERS, KTRS, or SPRS and who is rehired is subject to the provisions of 101 KAR 2:102 Section 1 (f). Put simply, this regulation requires that this person be treated as a "new" employee. The person accumulates leave as a new employee and is treated as though he or she never worked for state government for purposes of service credit for leave accrual.

It has recently come to our attention that in some instances retired employees who return to the Executive Branch are being credited with pre-retirement service credit for leave purposes. This usually results when an agency fails to post the completion of service and void leave balances on the appropriate payroll screens when an employee retires. That service credit is being picked up when the individual is rehired by another agency and annual leave is accrued on the basis of the previous service credit.

To avoid such instances in the future, please have your personnel/payroll offices void all months of service credit and any leave balances when an individual has retired, the position action has cleared, and termination pay has been paid to the retiree.



AN EQUAL OPPORTUNITY EMPLOYER M/F/D

If your payroll/personnel office has any questions relating to this process, please have them contact the Payroll Branch in the Division of Employee Records at (502) 564-6883.